

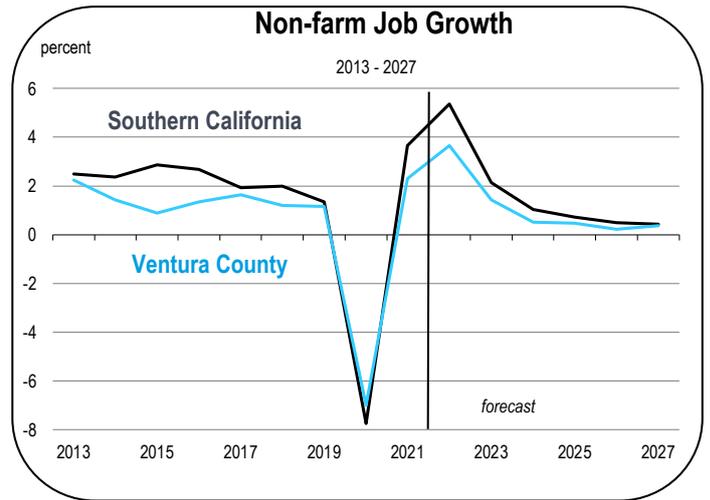
# Ventura County Economic Forecast

## Forecast Summary

- Over the last two calendar years, the labor market has restored 17,000 jobs in Ventura County
- Because the labor force has not recovered in Ventura County, it will take until 2024 for the workforce to eclipse the pre-pandemic employment level.
- Employment gains during 2021 and 2022 were largest in leisure services, professional business services, and healthcare
- The unemployment rate averaged 6.2 percent in 2021, and 3.5 percent in 2022
- The population has been in decline since 2016 and this trajectory is forecast to continue over the forecast period.
- Housing production will be lower over the 2022-2027 period than it was between 2016 and 2021.
- Home prices rose sharply in 2021, increasing by 16 percent. Prices are expected to rise by another 10 percent in 2022. The median price for a single family detached home is \$886,550.

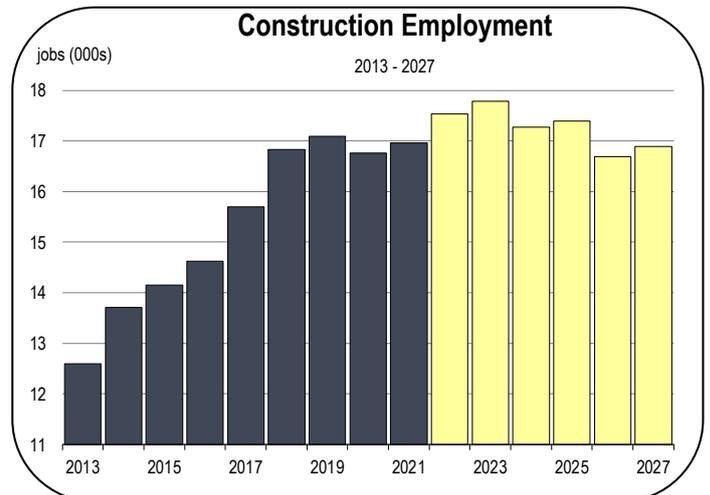
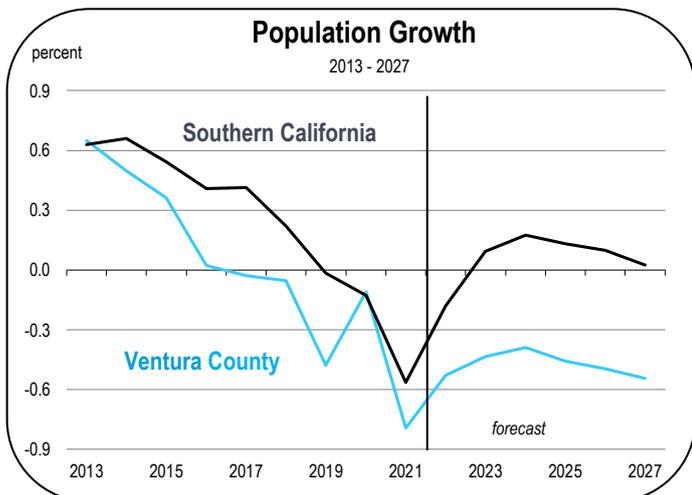
## Job Growth

- Total employment in Ventura County will expand by 3.7 percent in 2022, and 1.3 percent in 2023.
- Over the entire forecast period, job growth in Ventura County will be slower than the Southern California average, just as it has over the last 10 years.

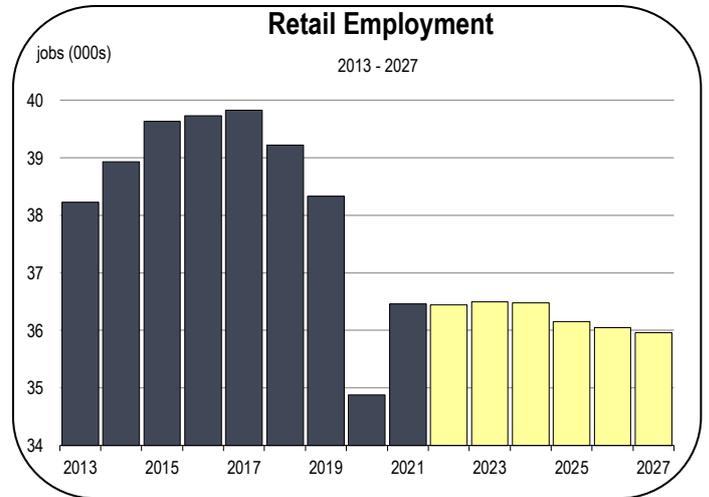
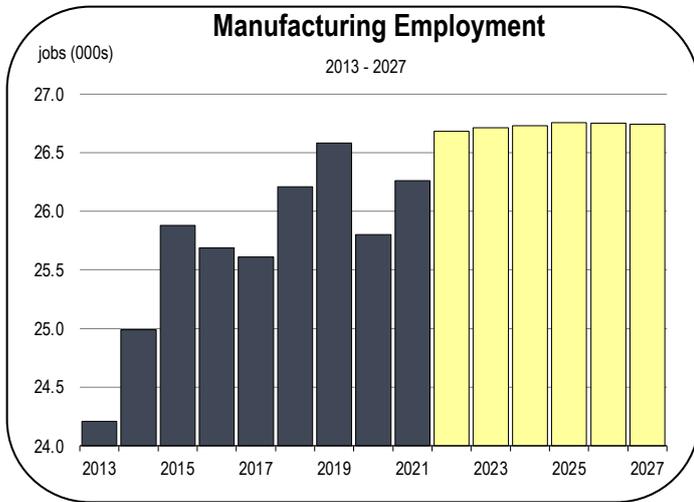


## Construction Employment

- Construction employment has now risen to the largest workforce level since 2007; nearly 600 new jobs were created in 2022.
- Remodel and rehabilitation demand is driving the need for expanding construction services in the county.
- The construction workforce is expected to remain at current levels, facilitating the development of housing and new industrial building in Oxnard and Thousand Oaks.



# Ventura County Economic Forecast

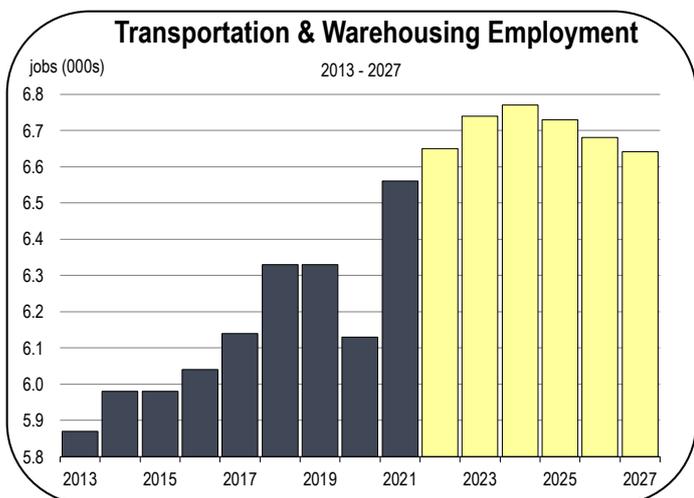


## Manufacturing Employment

- Manufacturing employment in Ventura County includes Amgen, Baxter Healthcare, Haas Automation, Proctor & Gamble, and JM Smucker Company. The industry is a mix of pharmaceuticals development, advanced tools, paper products, and food.
- The industry increased 1.8 percent in 2021 and 1.6 percent in 2022, a collective gain of 900 jobs.
- The forecast calls for stable employment levels over the next several years, but automation and the lack of affordable housing for workforces present a risk of defection by large firms—including manufacturing companies—from Ventura County.

## Transportation and Warehousing Employment

- Employment in the greater transportation and warehousing sector increased by 550 jobs in 2021 and 2022. This sector has replaced many retail jobs because the warehouse and fulfillment center environment supports the dramatic growth of online commerce.



- Over the forecast, the transportation and warehousing sector will expand, largely due to the opening of Amazon in Oxnard. More jobs will be created in 2023 if Amazon opens another distribution center in Moorpark. Growth is expected to slow in tandem with other labor markets over time.

## Retail Trade Employment

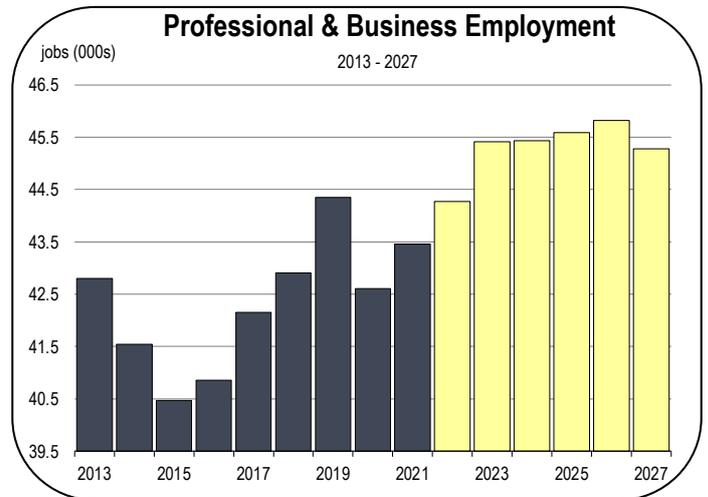
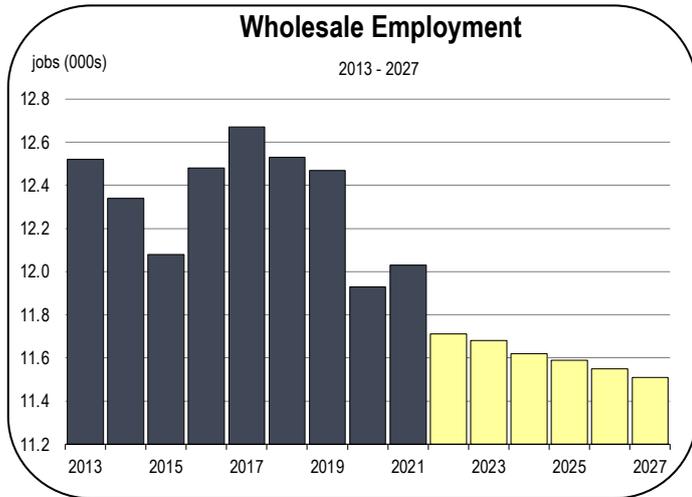
- Growth of jobs in the retail sector increased 4.5 percent in 2021, with a reinstatement of 1,600 jobs that were mostly lost due to the pandemic.
- Clothing and general merchandise stores were the largest contributors to the re-establishment of retail sector jobs during 2021.

- Retail employment growth is absent from the forecast due to the changing retail landscape that favors online commerce, and more automation within physical stores. Consequently, the number of physical retail storefronts will decline along with the retail workforce.

## Wholesale Trade Employment

- In tandem with retail trade, wholesale trade employment has been consolidating since 2018. Both sectors are subject to labor saving advances in automation.
- Further contraction in 2022 and for the rest of the forecast is expected.

# Ventura County Economic Forecast

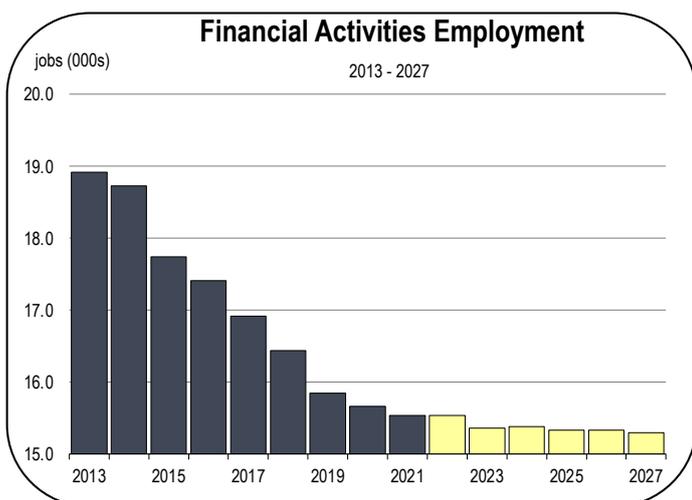


## Financial Activities Employment

- Two-thirds of the employment in financial activities is finance operations (banking, lending) and insurance. The other third is real estate including rental and leasing. The former has been in gradual decline while the latter has been relatively stable since 2009.
- This is a population-serving industry, and because the Ventura County population has been in and is expected to decline, no meaningful job growth is anticipated in financial activities and services.

## Professional and Business Services Employment

- Jobs in administrative support services and professional, technical, and scientific services accounted for all of the job growth in this sector during 2021 and 2022.
- Employment within the professional and business services industry rose by 850 jobs in 2021 and 800 jobs in 2022.
- The professional and business services industry is expected to remain stable in 2022 and gain 2,000 jobs by 2023.

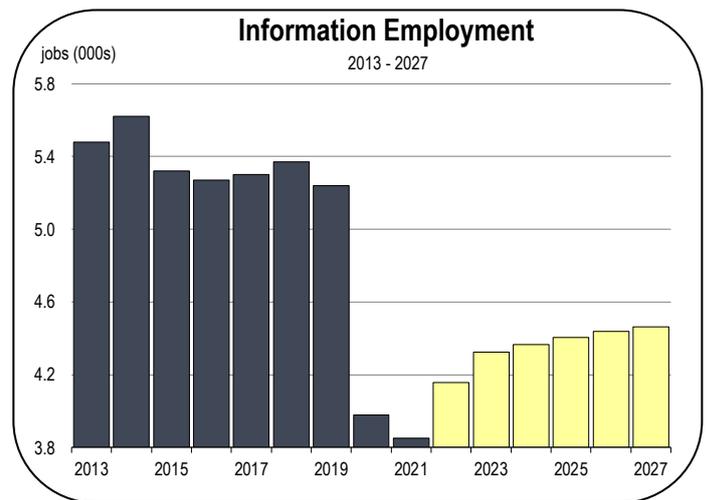


## Information Employment

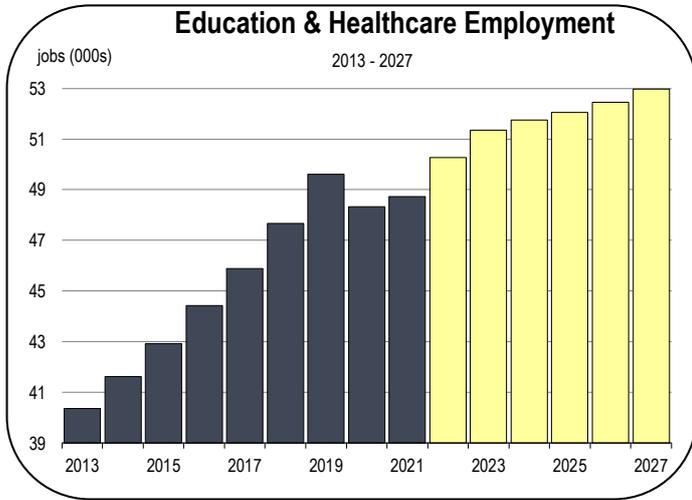
- In Ventura County, the information sector is dominated by telecommunications and movie theaters.
- Across all subsectors, approximately 100 jobs were displaced 2021, a continuation of losses as a result of the pandemic.
- Jobs were restored in 2022, with total industry employment rising by 300 workers. However, the Ventura County information industry will fail to create a meaningful number of new jobs because most of its subsectors are in long term patterns of stagnation.

## Private Education and Healthcare Employment

- Healthcare represents 89 percent of all jobs in the broader private education/healthcare sector. Offices of doctors, dentists, alternative health practitioners, home health care services, and other out-patient services comprise 42 percent of all workers in healthcare. Hospitals and residential care facilities account for 28 percent of all employment. Social assistance organizations make up the rest.



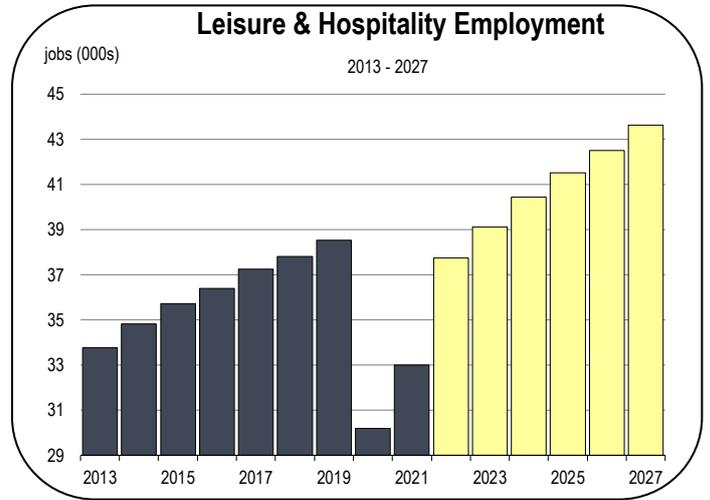
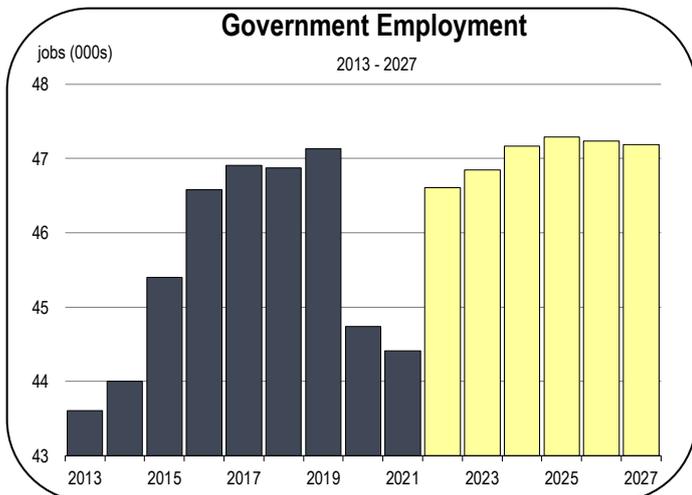
# Ventura County Economic Forecast



- The restoration of healthcare jobs has been frustratingly slow in the county because of the inability of open positions to be filled. As the labor force expands however, a condition which is forecast to occur in 2022, 2023 and 2024, total employment will continue to rise as the sector overtakes the general government sector employment as the largest employment industry.
- Healthcare will recover 1,500 jobs in 2022 and create 1,000 more jobs in 2023. Despite a contracting population in Ventura County, the age demographics will mandate an expansion of workers in healthcare over the current decade.
- The largest healthcare providers are Los Robles Regional Medical Center in Thousand Oaks, Community Memorial Hospital in Ventura, St John's Regional Medical Center in Oxnard, and Kaiser Permanente in Ventura.

## Leisure and Hospitality Employment

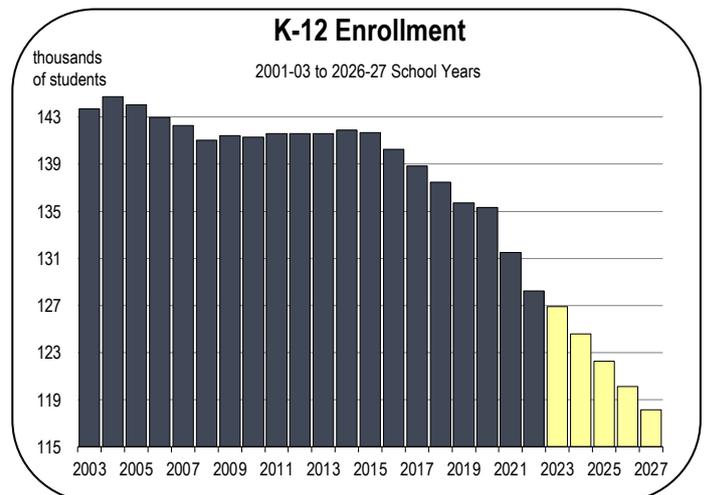
- By then end of 2022, leisure and hospitality firms will restore all employment displaced by the 2020 recession.



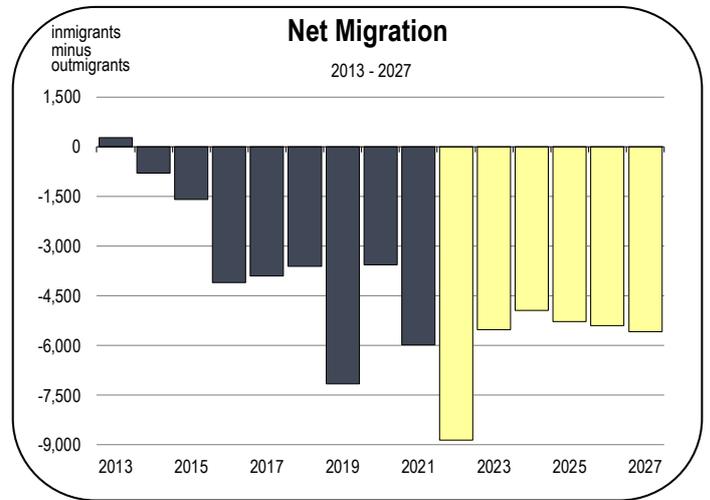
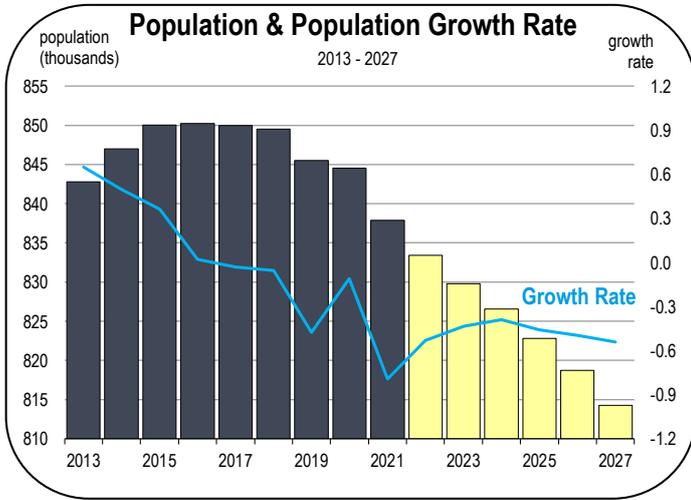
- Restaurants, bars and caterers account for 78 percent of all employment in the broader sector. Employment within these subsectors is now thriving. During 2022, over 4,700 jobs will be restored in the entire industry which includes recreation, entertainment, and hotels.
- With more travel occurring in California, this industry is now serving more visitors. The forecast calls for the continued creation of 1,400 more jobs in 2023.

## Government Employment

- The Naval Air Weapons Center at Point Mugu and the Construction Battalion Center at Port Hueneme form the Naval Base Ventura County. It is the largest public sector organization in the county, and the largest employer, with an estimated 4,100 active duty military, and 4,800 federal civilians. With on-base contractors, the total on-base population exceeds 17,000 personnel.
- County government employs 9,650, and has restored all positions displaced by the pandemic recession. On the other hand, the K-12 schools have experienced downsizing due to declining enrollment which is forecast to persist for the remainder of this decade.



# Ventura County Economic Forecast



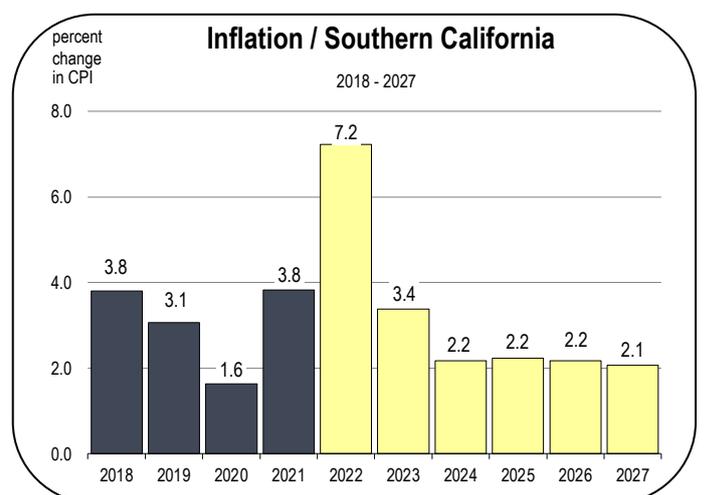
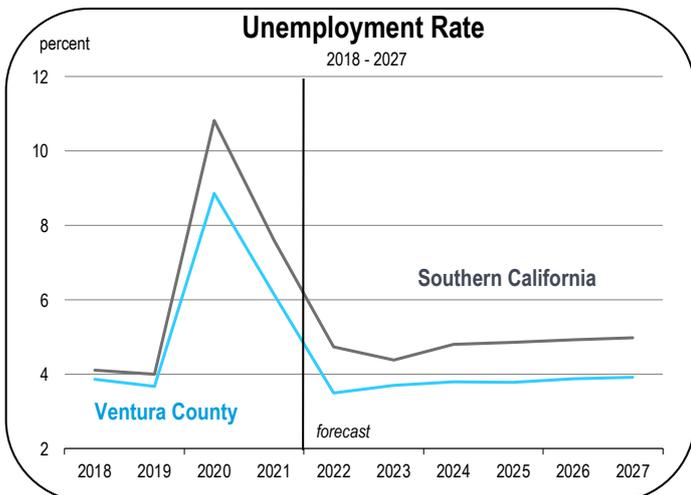
## Population Growth

- The Ventura County population declined in 2021 and 2022 and is expected to further decline through the remainder of the decade.
- Population decline has been the result of net out-migration, and an estimated 8,500 net migrants left the county in 2022.
- The outflow of residents is forecast to continue along a path that has generally been in place since 2014. Therefore the forecast calls for an average of 5,000 to 6,000 net residents vacating the County over the next 5 years.
- Residents are leaving Ventura County (along with many coastal areas of California) because housing is expensive to either buy or rent.

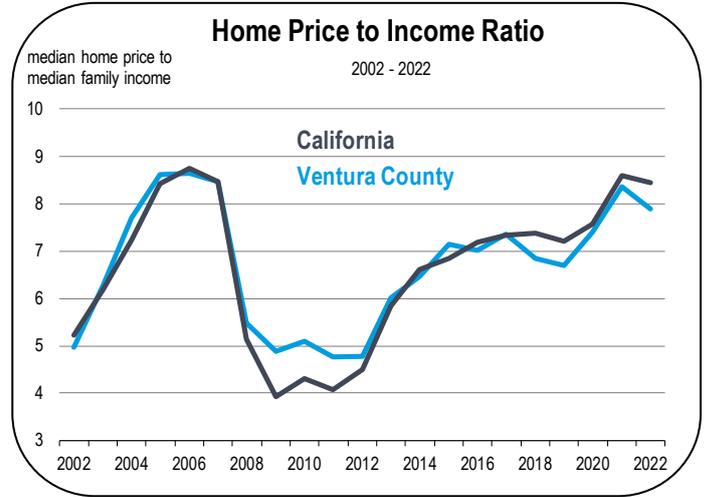
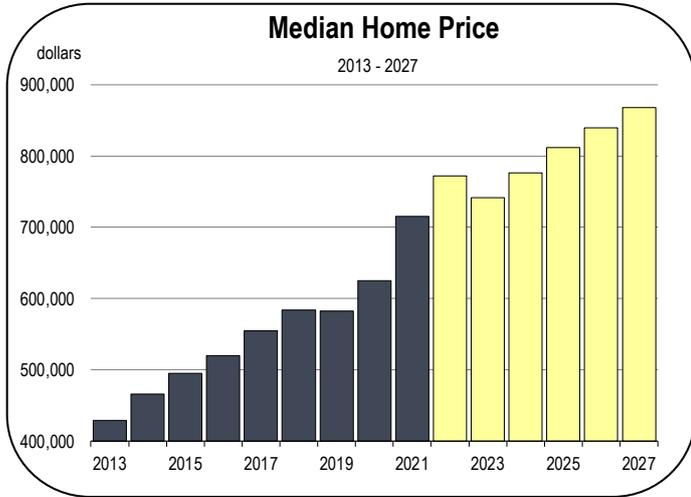
## Unemployment and Inflation Rates

- The unemployment rate in Ventura County averaged 6.2 percent in 2021, which was below the composite rate for Southern California.

- The unemployment rate is expected to average 3.4 percent in 2022 and 3.7 percent in 2021.
- Inflation soared in 2021 and is expected to remain elevated in 2022 and 2023.
- During 2022 and into 2023, there will be a number of factors that will contribute to higher-than-normal inflation. The most prominent will be:
  - Spending by consumers and the federal government that was especially prolific in 2021 and 2022
  - Global supply chain interruptions (from the pandemic) that have raised the cost of production for many businesses
  - Sharp increases in the cost of housing and energy
  - Labor market recruitment challenges that have led to surging wage increases



# Ventura County Economic Forecast



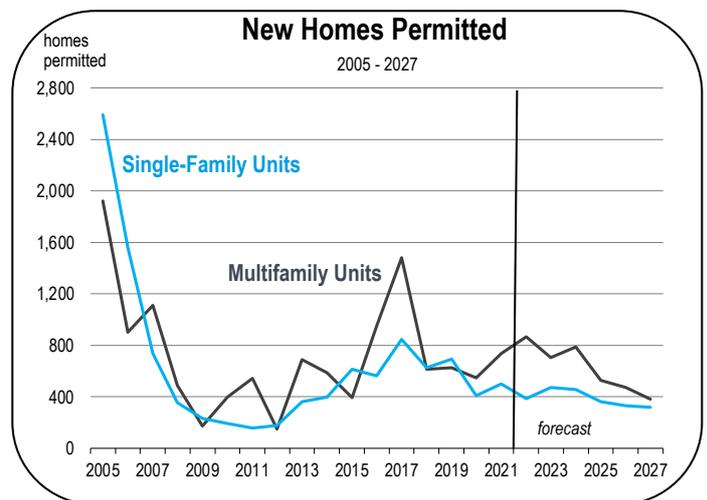
- Combined, these factors have pushed 2022 inflation to its highest rate in 40 years. Ultimately, inflation reduces the purchasing power of households and negatively impacts consumer confidence, limiting the growth potential of the economy in 2022 and 2023.
- However, inflation will gradually decelerate in 2023 as supply chains are restored, and the impending economic slowdown moderates the demand for labor and wage increases. Average inflation rates eventually decline to 3 percent again by 2024.

- A 20 percent down payment on the median priced home would represent \$150,000 to \$180,000, an amount typically out of reach for most households. At current mortgage rates the monthly payment for a home purchased in 2022 is now double the monthly payment for the same priced home purchased in 2020.
- From 2016 to 2021, an average of 1,430 new homes were authorized per year. Multifamily units accounted for more than half of all new units.
- New home production in 2022 was similar to the level of production in 2021, and in line with the 10 year average. Most new residential development is now apartment projects. Currently, 900 apartment units are under construction in Ventura County.
- New development has been relatively sparse in Ventura County since the Great Recession, with few exceptions. There was a surge in hotel development in Camarillo and Ventura recently, the Conejo Spectrum in Thousand Oaks was completed in 2022, and the new Amazon Fulfillment Center opened last year in Oxnard.

## Home Prices and New Housing Production

- The median home value for all housing types was \$715,500 in 2021, a 14 percent increase from the previous year.
- The single family home selling value in 2021 was \$819,900 in 2021 and \$886,500 in 2022.
- Prices will rise 8 percent in 2022 but decline 3 to 5 percent in 2023.

Median Home Selling Value Ventura County 2022	Median Sell Price
Camarillo	\$ 787,590
Fillmore	\$ 680,235
Moorpark	\$ 902,864
Ojai	\$ 1,108,000
Oxnard	\$ 712,682
Santa Paula	\$ 695,417
Simi Valley	\$ 791,591
Thousand Oaks	\$ 1,019,500
Ventura	\$ 811,841
Westlake Village	\$ 1,577,500



# Ventura County Economic Forecast



Artist rendering of T.O. Ranch

- There are pervasive growth controls in Ventura County that have been in place for the last 20 years, called SOAR. SOAR stands for Save Open Space and Agricultural Resources. SOAR is a principal reason for the austere development environment in Ventura County.
- While SOAR will limit both new housing and new investment dollars in non-residential structures over the foreseeable future, there are some surprising recent development approvals in Ventura, Moorpark and Thousand Oaks.
- A 160 room Hilton Hotel is planned at the Ventura Harbor. The project has been changed several times but construction is now expected to start in early 2023.
- A new 210 room Hyatt House hotel is planned to replace the now demolished Casa Sirena Hotel at the Channel Islands Harbor. The hotel is part of a series of projects planned to modernize the services and functionality of Channel Islands Harbor.
- The 755 unit Hitch Ranch development was approved by the Moorpark City Council in June of 2022. The 277 acre project is the largest housing project in Ventura County.
- Comstock Homes plans to build 372 single family homes and 383 apartments. The project includes parks, and parcels dedicated for more affordable housing units in the future.
- The T.O. Ranch development, the largest mixed use project in the history of the city was approved by the Thousand Oaks City Council in the summer of 2022. The project includes 420 residential townhouse style apartment units in 13 buildings, and two 4-story feet buildings totaling 15,000 square feet for commercial uses.
- The demand for existing industrial real estate is very strong from both existing and new company entrants into Ventura County. Utilization rates for all east and west industrial sub-markets are closing in on 100 percent. With lease rates at record levels, new industrial product will be forthcoming in Ventura and Thousand Oaks. 173,000 square feet of new industrial buildings were recently completed and sold, completing full buildout and sale of the Conejo Spectrum.
- The office market has stabilized but utilization rates are still historically low. Net office absorption was weak going into the pandemic years and it remains so today. Office using employment is rising, but at a pace that will delay complete recovery of the market until 2024.

# Ventura County Economic Forecast

## Economic Indicators

## 2015-2020 History, 2021-2050 Forecast

	Population (people)	House- holds (thousands)	Net Migration (people)	New Homes Permitted (homes)	Registered Vehicles (thousands)	Personal Income (billions)	Taxable Retail Sales (billions)	Total Taxable Sales (billions)	Real Industrial Production (billions)	Real per Capita Income (dollars)	Unemployment Rate (percent)	Real Farm Production (billions)	Inflation Rate (percent)
2015	850,038	270.6	-1,596	1,009	790	\$46.4	\$9.5	\$13.9	\$14.1	\$64,513	5.7	\$2.6	0.9
2016	850,227	272.0	-4,107	1,512	810	\$47.7	\$9.6	\$13.8	\$13.3	\$65,161	5.2	\$2.4	1.9
2017	849,979	272.9	-3,897	2,326	808	\$49.2	\$10.0	\$14.0	\$12.6	\$65,323	4.5	\$2.4	2.8
2018	849,523	273.3	-3,617	1,239	813	\$51.0	\$10.3	\$14.3	\$10.7	\$65,334	3.9	\$2.3	3.8
2019	845,474	274.6	-7,157	1,320	829	\$53.3	\$10.5	\$14.8	\$10.8	\$66,577	3.7	\$2.1	3.1
2020	844,545	276.2	-3,567	954	821	\$55.1	\$10.4	\$14.5	\$10.4	\$67,699	8.9	\$2.1	1.6
2021	837,845	276.5	-5,988	1,233	825	\$58.8	\$12.3	\$17.3	\$11.2	\$70,218	6.2	\$2.0	3.8
2022	833,407	277.9	-8,866	1,250	829	\$61.9	\$13.0	\$18.2	\$11.4	\$70,199	3.5	\$2.0	5.9
2023	829,789	279.1	-5,531	1,177	825	\$65.1	\$13.5	\$18.9	\$11.7	\$71,434	3.7	\$2.0	3.7
2024	826,554	280.2	-4,947	1,243	821	\$67.8	\$13.9	\$19.6	\$11.8	\$72,599	3.8	\$2.0	2.9
2025	822,771	281.3	-5,286	887	822	\$70.6	\$14.2	\$20.0	\$11.8	\$73,917	3.8	\$2.0	2.7
2026	818,698	282.2	-5,399	799	823	\$73.2	\$14.4	\$20.2	\$11.8	\$75,046	3.9	\$2.0	2.7
2027	814,253	282.9	-5,582	699	825	\$75.9	\$14.6	\$20.5	\$11.8	\$76,501	3.9	\$2.0	2.2
2028	810,780	283.6	-4,389	630	817	\$78.7	\$14.8	\$20.8	\$12.0	\$78,101	4.0	\$1.9	2.0
2029	807,599	284.2	-3,904	591	812	\$81.1	\$15.0	\$21.1	\$12.0	\$79,112	4.0	\$1.9	2.1
2030	804,687	284.7	-3,472	656	807	\$83.4	\$15.5	\$21.7	\$12.0	\$79,991	4.0	\$1.9	2.2
2031	801,767	285.4	-3,237	713	805	\$85.8	\$15.8	\$22.2	\$12.0	\$80,877	4.0	\$1.9	2.1
2032	798,671	286.0	-3,105	735	804	\$88.1	\$16.1	\$22.7	\$12.0	\$81,730	4.0	\$1.9	2.0
2033	795,360	286.7	-3,050	736	804	\$90.6	\$16.5	\$23.2	\$12.0	\$82,607	4.0	\$1.9	2.2
2034	791,945	287.4	-2,942	836	803	\$93.1	\$16.8	\$23.6	\$12.1	\$83,750	4.0	\$1.9	1.8
2035	788,370	288.2	-2,882	821	802	\$95.8	\$17.3	\$24.3	\$12.2	\$84,856	4.0	\$1.9	2.0
2036	784,683	289.0	-2,853	821	802	\$98.5	\$17.8	\$25.0	\$12.2	\$85,894	4.0	\$1.9	2.1
2037	780,834	289.8	-2,846	811	802	\$101.5	\$18.3	\$25.7	\$12.2	\$86,726	4.0	\$1.9	2.5
2038	776,800	290.5	-2,907	766	802	\$104.5	\$18.8	\$26.4	\$12.2	\$87,514	4.0	\$1.9	2.6
2039	772,625	291.2	-2,928	767	799	\$107.5	\$19.3	\$27.1	\$12.2	\$88,437	4.0	\$1.9	2.4
2040	768,355	292.0	-2,912	798	797	\$110.6	\$19.8	\$27.8	\$12.1	\$89,211	3.9	\$1.9	2.6
2041	763,989	292.7	-2,907	798	796	\$113.8	\$20.2	\$28.4	\$12.1	\$90,010	3.9	\$1.9	2.5
2042	759,565	293.5	-2,861	852	793	\$116.8	\$20.6	\$29.0	\$12.1	\$91,039	3.9	\$1.9	2.1
2043	755,059	294.3	-2,844	808	791	\$119.8	\$21.1	\$29.7	\$12.1	\$92,119	3.8	\$1.9	2.0
2044	750,506	295.0	-2,825	787	790	\$122.8	\$21.5	\$30.2	\$12.1	\$93,236	3.8	\$1.9	1.9
2045	745,908	295.8	-2,794	777	788	\$125.8	\$21.9	\$30.8	\$12.2	\$94,477	3.8	\$1.9	1.7
2046	741,276	296.5	-2,747	777	785	\$128.8	\$22.4	\$31.5	\$12.2	\$95,620	3.8	\$1.9	1.8
2047	736,630	297.3	-2,721	789	783	\$131.8	\$22.9	\$32.1	\$12.2	\$96,666	3.7	\$1.9	1.9
2048	731,945	298.0	-2,711	777	782	\$135.1	\$23.4	\$32.9	\$12.2	\$97,620	3.7	\$1.9	2.1
2049	727,232	298.7	-2,691	761	780	\$138.3	\$23.9	\$33.6	\$12.1	\$98,465	3.7	\$1.9	2.2
2050	722,411	299.4	-2,703	751	777	\$141.5	\$24.5	\$34.4	\$12.1	\$99,541	3.8	\$1.9	1.9

## Employment Sectors

## 2015-2021 History, 2022-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	(thousands of jobs)											
2015	322.3	26.3	14.2	25.9	6.0	51.7	17.7	40.5	5.3	42.9	35.7	45.4
2016	325.2	25.2	14.6	25.7	6.0	52.2	17.4	40.9	5.3	44.4	36.4	46.6
2017	328.7	23.8	15.7	25.6	6.1	52.5	16.9	42.2	5.3	45.9	37.2	46.9
2018	332.9	24.3	16.8	26.2	6.3	51.8	16.4	42.9	5.4	47.7	37.8	46.9
2019	336.8	24.7	17.1	26.6	6.3	50.8	15.9	44.4	5.2	49.6	38.5	47.1
2020	315.2	25.0	16.8	25.8	6.1	46.8	15.7	42.6	4.0	48.3	30.2	44.7
2021	320.3	23.4	17.0	26.3	6.6	48.5	15.5	43.5	3.9	48.7	33.0	44.4
2022	332.0	24.3	17.5	26.7	6.7	48.2	15.4	44.3	4.2	50.3	37.7	46.6
2023	336.5	24.3	17.8	26.7	6.7	48.2	15.4	45.4	4.3	51.4	39.1	46.8
2024	338.1	24.4	17.3	26.7	6.8	48.1	15.3	45.4	4.4	51.8	40.4	47.2
2025	339.7	24.4	17.4	26.8	6.7	47.7	15.3	45.6	4.4	52.1	41.5	47.3
2026	340.5	24.6	16.7	26.8	6.7	47.6	15.3	45.8	4.4	52.5	42.5	47.2
2027	341.8	24.7	16.9	26.7	6.6	47.5	15.3	45.3	4.5	53.0	43.6	47.2
2028	342.0	24.9	16.6	26.7	6.6	47.3	15.3	44.5	4.5	53.2	44.8	47.1
2029	344.1	25.1	16.7	26.7	6.7	47.0	15.2	45.5	4.5	53.4	45.3	47.4
2030	346.2	25.2	16.5	26.7	6.7	47.1	15.2	46.5	4.5	53.7	45.9	47.7
2031	348.1	25.4	16.5	26.6	6.7	47.1	15.2	47.3	4.5	53.8	46.4	47.9
2032	350.1	25.6	16.5	26.6	6.8	47.2	15.2	48.2	4.5	53.9	47.0	48.1
2033	352.1	25.7	16.6	26.6	6.8	47.1	15.2	49.0	4.5	54.1	47.5	48.3
2034	354.1	25.9	16.6	26.6	6.8	47.2	15.2	49.8	4.5	54.3	48.0	48.5
2035	356.2	26.0	16.7	26.7	6.8	47.2	15.1	50.5	4.5	54.4	48.6	48.6
2036	358.4	26.2	16.8	26.7	6.8	47.4	15.1	51.3	4.5	54.7	49.1	48.7
2037	360.4	26.4	16.8	26.7	6.9	47.5	15.1	52.0	4.5	55.0	49.7	48.9
2038	362.4	26.6	16.8	26.7	6.9	47.5	15.2	52.7	4.5	55.3	50.2	49.0
2039	364.4	26.7	16.8	26.7	6.9	47.6	15.2	53.3	4.5	55.6	50.8	49.1
2040	366.2	26.9	16.8	26.7	6.9	47.6	15.2	54.0	4.5	55.9	51.3	49.2
2041	368.0	27.1	16.8	26.7	6.9	47.5	15.3	54.6	4.5	56.1	51.9	49.3
2042	369.8	27.3	16.9	26.7	6.9	47.5	15.3	55.2	4.5	56.4	52.5	49.3
2043	371.6	27.4	16.9	26.7	7.0	47.6	15.3	55.8	4.5	56.6	53.0	49.4
2044	373.2	27.6	16.8	26.7	7.0	47.5	15.3	56.4	4.5	56.9	53.6	49.5
2045	374.8	27.8	16.8	26.7	7.0	47.6	15.3	57.0	4.5	57.1	54.1	49.5
2046	376.3	27.9	16.6	26.7	7.0	47.6	15.3	57.5	4.5	57.4	54.7	49.6
2047	377.8	28.1	16.5	26.7	7.0	47.7	15.2	58.1	4.5	57.6	55.2	49.7
2048	379.5	28.3	16.7	26.7	7.0	47.7	15.2	58.6	4.5	57.8	55.8	49.7
2049	380.8	28.4	16.6	26.7	7.0	47.7	15.2	59.1	4.5	58.0	56.3	49.7
2050	382.3	28.6	16.5	26.8	7.0	47.8	15.1	59.6	4.5	58.2	56.9	49.8

# Ventura County Economic Forecast

## Socioeconomic Indicators

